

**From:** [Gwen McGriff](#)  
**To:** [Goodfellow, Afton](#)  
**Cc:** [Rachel Moore](#)  
**Subject:** [External] FW: Commercial Automobile Liability Insurance Limits  
**Date:** Wednesday, May 25, 2022 12:27:01 PM  
**Attachments:** [image004.png](#)

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Good afternoon:

Again, I apologize for the delay. I thought this information had already been forwarded to you. These are the notes from our research. Let us know if you need anything further from this Department.

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The South Carolina Department of Insurance (Department) was asked to review the insurance limits in the regulations for the Public Service Commission (Commission) and to let Commission representatives know whether any modifications are required.

As we discussed, the Department will not opine on the minimum limits or make recommendations as to what they should be. Since this is a financial responsibility issue, that falls within the province of the South Carolina General Assembly, Public Service Commission, and the South Carolina Department of Motor Vehicles. Set forth in the table below is the information we found from our Google search of commercial automobile insurance requirements in other states.

Please note the Department is noticing a tightening/hardening the liability insurance market. This means that some insurers are deciding not to write certain lines of liability coverage which makes some liability markets harder to access. Increasing the minimum limits may have an impact on the cost and availability of this liability insurance coverage.

State	Minimum Limits	Code Provisions
South Carolina	<b>Intrastate seating capacity:</b> <ul style="list-style-type: none"> <li>1-7: 25/50/25</li> <li>8-15: 25/100/25</li> <li>16+: 25/300/25</li> </ul> <b>Freight under 10,000 lbs.:</b> <ul style="list-style-type: none"> <li>Non-hazardous: \$500,000 single limit</li> <li>Hazardous: \$5 million</li> </ul> <b>10,000 lbs. or more GVW:</b> <ul style="list-style-type: none"> <li>Non-</li> </ul>	<i>See also</i> S.C. Code Ann. Sections 38-77-150; 56-9-20 Most of the requirements are set forth in SC ADC Section 103-172

	<p>hazardous: \$750,000 single limit</p> <ul style="list-style-type: none"> <li>Hazardous: \$5 million</li> </ul> <p><b>Interstate (Department of Public Safety) GVW 10,000 lbs. or more:</b> Hazardous property:</p> <ul style="list-style-type: none"> <li>\$1 million or \$5 million depending on substance</li> <li>Non- hazardous: \$750,000</li> </ul>	
Georgia	<p>1-12 passengers: 100/300/50 13+: 500/100/50 Intrastate motor carriers: 100/300/50</p>	<p><b>Universal Citation:</b> <a href="https://law.justia.com/codes/georgia/2014/title-40/chapter-1/article-3/part-3/section-40-1-166">GA Code § 40-1-166 (2014)</a> <a href="https://law.justia.com/codes/georgia/2014/title-40/chapter-1/article-3/part-3/section-40-1-166">https://law.justia.com/codes/georgia/2014/title-40/chapter-1/article-3/part-3/section-40-1-166</a></p> <p>Each limousine carrier shall obtain and maintain commercial indemnity and liability insurance with an insurance company authorized to do business in this state which policy shall provide for the protection of passengers and property carried and of the public against injury proximately caused by the negligence of the limousine carrier, its servants, and its agents. The minimum amount of such insurance shall be:</p> <p>(1) For capacity of 12 passengers or less, \$300,000.00 for bodily injuries to or death of all persons in any one accident with a maximum of \$100,000.00 for bodily injuries to or death of one person, and \$50,000.00 for loss of damage in any one accident to property of others, excluding cargo; or</p> <p>(2) For capacity of more than 12 passengers, \$500,000.00 for bodily injuries to or death of all persons in any one accident with a maximum of \$100,000.00 for bodily injuries to or death of one person, and \$50,000.00 for loss of damage in any one accident to property of others, excluding cargo.</p>
North Carolina	<p>1-15: \$1,500,000 CSL 16+: \$5 mil CSL Taxis: 100/300/50 Property carriers: (see notes)</p>	<p>NCGS Section 20-309 (<a href="https://law.justia.com/codes/north-carolina/2014/chapter-20/article-13/section-20-309">https://law.justia.com/codes/north-carolina/2014/chapter-20/article-13/section-20-309</a>)</p> <p>a) No motor vehicle shall be registered in this State unless the owner at the time of registration provides proof of financial responsibility for the operation of such motor vehicle, as provided in this Article. The owner of each motor vehicle registered in this State shall maintain financial responsibility continuously throughout the period of registration. For purposes of this Article, the term "motor vehicle" includes mopeds, as that term is defined in <a href="#">G.S. 20-4.01</a>.</p> <p>(a1) An owner of a commercial motor vehicle, as defined in <a href="#">G.S. 20-4.01(3d)</a>, shall have financial responsibility for the operation of the motor vehicle in an amount equal to that required for for-hire carriers transporting nonhazardous property in interstate or foreign commerce in <a href="#">49 C.F.R. § 387.9</a>.</p> <p><b>See Section <a href="#">49 USC 31139</a></b></p> <p>3d) Commercial Motor Vehicle.--Any of the following motor vehicles that are designed or used to transport passengers or property:</p> <p>a. A Class A motor vehicle that has a combined GVWR of at least 26,001 pounds</p>

		and includes as part of the combination a towed unit that has a GVWR of at least 10,001 pounds. b. A Class B motor vehicle. c. A Class C motor vehicle that meets either of the following descriptions: 1. Is designed to transport 16 or more passengers, including the driver. 2. Is transporting hazardous materials and is required to be placarded in accordance with 49 C.F.R. Part 172, Subpart F.
Florida	\$300K CSL or 100/300/50	See <b>324.021 Definitions; minimum insurance required.</b> ( <a href="https://law.justia.com/codes/florida/2012/titlexxiii/chapter324/section324.021/Statutes &amp; Constitution :View Statutes : Online Sunshine (state.fl.us)">https://law.justia.com/codes/florida/2012/titlexxiii/chapter324/section324.021/Statutes &amp; Constitution :View Statutes : Online Sunshine (state.fl.us)</a> )

## Additional Research Notes

### Minimum Limits for Commercial liability:

It appears the minimum limit for vehicles under the financial responsibility requirements set forth by the Financial Responsibility Act (Title 56 Ch. 9) is 25/50/25 Liability and 25-50-25 UM.

### SC Financial Responsibility Act - SECTION 56-9-20. Definitions.

The following words and phrases when used in this chapter shall, for the purposes of this chapter have the meanings respectively ascribed to them in this section, except in those instances where the context clearly indicates a different meaning:

(11) "Proof of financial responsibility": Proof of ability to respond to damages for liability, as provided in Section 38-77-150, or, on account of accidents occurring after the effective date of this proof, arising out of the ownership, maintenance, or use of a motor vehicle in the amount of twenty-five thousand dollars because of bodily injury to or death of one person in any one accident and, subject to this limit for one person, in the amount of fifty thousand dollars because of bodily injury to or death of two or more persons in any one accident and in the amount of twenty-five thousand dollars because of injury to or destruction of property of others in any one accident;

### SECTION 56-9-30. Chapter inapplicable to certain motor vehicles.

This chapter does not apply with respect to any motor vehicle owned by the United States, this State, or any political subdivision of this State or any municipality therein, nor, except for Section 56-9-590, does it apply with respect to any motor vehicle which is subject to other laws of this State which require their owners to carry insurance or to place security in a manner which would make those owners carry insurance or place security in addition to the amounts required by this chapter.

### SECTION 56-9-353. Type and terms of policy or bond.

No policy or bond shall be effective under Sections 56-9-351 and 56-9-352 unless issued by an insurance company or surety company licensed and authorized by the South Carolina Department of Insurance to do business in this State, except that if the motor vehicle was not registered in this State or was a motor vehicle which was registered elsewhere than in this State at the effective date of the policy or bond or the most recent renewal thereof, the policy or bond shall not be effective under Sections 56-9-351 and 56-9-352 unless the insurance company or surety company if not authorized to do business in this State shall execute a power of attorney authorizing the Department of Motor Vehicles to accept service on its behalf of notice of process in any action upon the policy or bond arising out of the accident. Every policy or bond must be subject, if the accident has resulted in bodily injury or death, to a limit, exclusive of interest and costs, of not less than twenty-five thousand dollars because of bodily injury to or death of one person in any one accident, and subject to this limit for one person, to a limit of not less than fifty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and, if the accident has resulted in injury to or destruction of property, to a limit of not less than twenty-five thousand dollars because of injury to or destruction of property of others in any one accident.

### SECTION 56-9-540. Methods of proving financial responsibility.

Proof of financial responsibility when required under this chapter may be given by filing:

- (1) A certificate of insurance as provided in Section 56-9-550 or Section 56-9-560;
- (2) A bond as provided in Section 56-9-570; or
- (3) A certificate of deposit of money or securities as provided in Section 56-9-580.

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**Federal Financial Responsibility Requirements:**

I pulled the following information from the Federal Motor Carrier's website regarding other vehicle types such as passenger vans and tractor-trailers doing business across states. Federal Motor Carrier Act (FMCA) website <https://www.fmcsa.dot.gov/safety/passenger-safety/licensing-and-insurance-requirements-hire-motor-carriers-passengers-parts>

**PART 387 – Financial Responsibility Applicability** For-hire motor carriers of passengers operating vehicles in interstate or foreign commerce must have at least the minimum amount of insurance required by law.

For-Hire Carriers Schedule of Limits of Public Liability

**VEHICLE THAT IS DESIGNED TO TRANSPORT 16 OR MORE PASSENGERS** (including the driver) \$5,000,000 Insurance required

**VEHICLE THAT IS DESIGNED TO TRANSPORT 15 OR LESS PASSENGERS** (including the driver) \$1,500,000 Insurance required

Minimum levels of financial responsibility are determined by highest seating capacity of a vehicle within a fleet operated by an interstate for-hire motor carrier of passengers.

These insurance requirements DO NOT apply to:

A motor vehicle transporting only school children and school personnel to and from school;

A motor vehicle providing taxicab service and having a seating capacity of less than 7 passengers and not operated on a regular route or between specified points;

A motor vehicle carrying less than 16 people in a single daily round trip commuting to and from work;

A motor vehicle operated by a motor carrier under contract providing transportation of pre- primary, primary, and secondary students for extracurricular trips organized sponsored, and paid by a school district.

It appears vehicles that do not fall under the FMCA's financial responsibility requirements, SC's Financial Responsibility Act minimum limits requirements 25/50/25 may be applicable.

 **Gwendolyn McGriff**

**CIPM, CIPP/US, GLEG**

General Counsel, Privacy Liaison & Ethics Officer

1201 Main Street, Suite 1000

Columbia, SC 29201

Office: (803) 737-6153

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